

Sullivan County NH

Type of meeting: Board of Commissioners - Interviews for Assisted Care \ Feasibility Assessment RFQ

Date/Time: Friday - March 17, 2006, 1 p.m.

Place: Newport County Complex – 1st Floor – Commissioners Conference Room

ATTENDEES: Commissioners Donald S. Clarke - Chair, Ben Nelson – Vice Chair and Ethel Jarvis – Clerk; Ed Gil de Rubio – County Manager; Patti Koscielniak – S.C.H.C. External Care Coordinator; Heidi Smith – S.C.H.C. Director of Nursing and Sharon Johnson-Callum (minute taker).

First Interview – 1 PM

Housing Partners/Eisenberg Consulting - Interview with Eleanor White and Chuck Eisenberg

Mr. Gil de Rubio discussed how the nursing home was flourishing and provided a brief synopsis of the resident mix and census. The interviewers noted their vision is vague, at this point, and that they are looking for their expertise; and, their major concern is the Unity complex location, which is off the beaten path.

- Mr. Eisenburg noted they went by it.

The group discussed the possible parcel by the pond and discussed the area using the topo map, in the room. It was also noted the County is beginning a needs assessment on the Department of Corrections and if a new building is recommended, the new facility would be located a lot further back.

- Mr. Eisenburg discussed a DOC facility project they did in Norfolk.

Commissioner Clarke noted the County is trying to improve the “curb appeal” in order to “dress it up”. He discussed the buildings they have taken down and a few others they may recommend and the landscaping they were working on. He added that they recognize, for assisted care facilities to work, they need an appealing facility.

- Mr. Eisenburg asked about level of nursing. Ms. Smith noted the mix in the Health Care facility. Ms. Koscielniak discussed minimum age requirement, issues with younger people in nursing homes and not being able to get in to assisted living facilities.

Mr. Gil de Rubio asked how they are planning to approach the project and get the necessary data to come up with the plan?

- Mr. Eisenburg noted there is stuff that can’t be done, clearly. They will depend on data on secondary and primary sources. They don’t have time to do focus groups, but indicated it would probably be in the next phase. They will verify data in Clough Harbour Associates report and speak with owners running assisted care facilities in the area. Ms. White confirmed she saw McCoy and the one in George’s Mills being built.

- Commissioner Clarke noted George's Mills was on the high end and they did not want to compete with them.
- Ms. White agreed the need was in low income.
 - Commissioner Clarke noted it was low to mid income.
- Mr. Eisenburg indicated they would delve deeper into the demographics in the report as the counts appear low. He noted it may not be possible to get it any closer, which makes the decision tough - you are looking at a fairly high capture rate. Ms. White noted this meant the eligible people to capture. Mr. Eisenburg pointed out there was no discussion in the report regarding younger disabled people. Mr. Eisenburg mentioned they were working on a project to combine the two. Ms. Koscielniak noted caregivers in community need a break from those they are caring for in order to attend a wedding, for example; we don't have ability to provide respite for that, and might possibly recommend including rooms in the assisted living facility for this type of event. Mr. Eisenburg indicated they would sit down with those involved to conduct these type conversations to find what the parameters are, create a shopping list, and discuss income levels. Ms. White wondered how many older baby boomers there were in Sullivan County whose parents live elsewhere, and who would want to bring their parents back. Commissioner Clarke and Nelson discussed a few scenarios. Commissioner Clarke noted Sullivan County area average age is high, and is 15 years older than Rockingham County. Commissioner Clarke pointed out the SB 409 report contained good information on this. It was asked if the percentage was a median or average? Unsure. Ms. Koscielniak discussed another scenario. Ms. Smith discussed working at Cedar Hill, an assisted care with 38 beds. She felt it could have been full but did not have a lot of amenities, it had kitchen activities, but not the activities that the age group wanted - travel to cultural events or a swimming pool. Mr. Eisenburg recalled the facility, he mentioned he pointed out it also was not in the middle of town. Commissioner Clarke noted they were unsure the best size for an assisted care facility. Mr. Eisenburg indicated a lot of the cost is fixed cost; if subsidy comes from other than Medicaid, a minimum square footage to service the area is needed. Ms. Koscielniak noted a pool to utilize for rehabilitation would be a benefit. Ms. White also noted the pool could be used for the community at large. Mr. Gil de Rubio indicated they brought up a good point; we have not had an opportunity to sit down and discuss the goals. He noted they need another report that substantiates the Clough Harbor Associates report. It was noted as an elected government they need to see how they can contribute to this project, and to create a project that is self-sustaining to the citizens. Ms. White concurred their goal would be to show them the resources to do that. She noted it is difficult to make less than a seventy (70) unit facility work. Mr. Eisenburg noted the development fixed cost of an operation and the lack of economy affect feasibility; when you change what's available in a facility, you change the competitiveness. People need assistance, need food, need some kind of communal life area; get beyond that there is a broad range, and costs. Ms. White pointed out some assisted care facilities are incorporating child care centers, and finding it benefits everyone. Ms. Smith, Commissioner Clarke and Mr. Gil de Rubio all chorused we have nursing home employees that would benefit greatly from that collaboration. Mr. Eisenburg indicated he'd like to begin conversations immediately, if they were chosen. Mr. Gil de Rubio asked if the County's time line stated in the

RFQ was adequate. Ms. White indicated they could do a job within the timeframe, but would rather take more time and do it thoroughly. Mr. Eisenburg noted, once they conduct the in-house discussions, they would prefer to have one to two months to prepare a draft of preliminary recommendations – a month and a ½ possibly. He noted they would want to present the findings and conclusion before writing the draft. Ms. White noted the County needed to decide on items such as - do you want facilities at site open to broader citizens, for example: a day care or pool. Mr. Eisenburg noted they would need to be creative to get the kinds of services and level of care to work financially and physically. Ms. White agreed they would need to search for more demands. They noted the income levels in the Clough Harbour Associates report were hard to compare to their unit cost amount. Ms. White noted 75% of a person's income goes into an assisted living arrangement. Mr. Eisenburg asked if there were any excess kitchen capacity at the current nursing home? Mr. Gil de Rubio noted they were looking in to that. He indicated the Dietary Director is eager to do the assisted living. Commissioner Nelson noted it should fit with what we do there and complete the package. Ms. White pointed out the County has a great more opportunities through the land they own and facilities they currently have than any other assisted care in area. Ms. Koscielniak discussed the Medicaid subsidies being based on a medical model and asked if they had worked with getting Medicaid waivers for social programs? Ms. White noted people who have social needs have medical needs, and if stated in a certain way, would be eligible. She pointed out she had previously worked for HUD. Mr. Eisenburg noted getting body numbers down is one way, getting cost down is to get them in to lower level care. Ms. White noted one way of saving would be to remove the disabled person out of the nursing home into the assisted living – a cost savings. Commissioner Clarke asked what the normal ratio between nursing home beds and assisted care beds were? Ms. White noted there is none; assisted care beds depend on two factors: 1) local demo – who lives here and 2) life expectancy is increasing, therefore demand for assisted living will sky rocket. She noted the average age of one in an assisted care is 85+ and increasing. They noted, those would be the people they need to try to uncover in their research. Ms. Koscielniak inquired if the facility would have secured units to accommodate for dementia, those whose main problem is wondering, but have a high level of functioning. Ms. White indicated there must be a designated Alzheimer's unit, with totally different staff make up. Mr. Gil de Rubio confirmed a request was made to look in to a dementia unit. Ms. White pointed out most assisted living units have locks to show a private apartment appearance. Mr. Eisenburg noted there would be a market issue to get elders to come in to a facility where they feel they might have to interact with dementia residence, and, it would meet with resistance. Ms. Smith pointed out the "County Home" has been the name of the nursing home for a long time and wondered how they might deal with that issue. Ms. White noted there were ways to separate the assisted care facility and would suggest calling it by someone's name who has contributed greatly to the county so that it becomes Sullivan Assisted Living facility. Commissioner Clarke noted they need more ammunition to proceed down the road and asked what decisions they needed to make now and what they could put off to later? Ms. White noted they had placed in their proposal if the County decides to go down the road and partner, they would be interested in

responding to that RFP. She noted they need to decide, does it look like this would be successful place for facility, factors that work to benefit, substantial market to fill, and grossly - could this be feasible? She noted that would be what the County would hear from them after 1½ months. Mr. Eisenburg pointed out that the Unity complex was an isolated location and they need to know more about the competition and potential competition, and at the size noted in the CHA report, there would need to be a lot of caveats. Ms. White and Mr. Eisenburg feel the number is low, and feels something between 55 and over, and a supported facility, would work. They noted a "supported facility" means: you eat your dinner upstairs in communal setting you have capability to feed yourself and it's not built in to the cost structure to feed three meals a day. They mentioned it was tough to build a commercial kitchen for anything under \$150,000. Ms. White noted, if in their research they find sufficient market demand for 75, they would have more flexibility. Commissioner Nelson inquired about the concept of creating a facility that could be built around. Mr. Eisenburg noted with that type of concept it would require substantial funds. Mr. Gil de Rubio noted May 12th was the date for the final report, but noted they could push this to mid June. Mr. Eisenburg noted the easiest part is doing pro forma. He noted the cost for a unit between 50 to 75 would be about \$500 a month. Ms. Koscielniak noted transportation issue was critical. It was agreed transport was not standard and a big issue in the community – residents need to get out, enjoy views of lakes, ponds, go to movies, the store and on field trips. Mr. Eisenburg noted they would need 150 to 200 units to feasibly support a van with driver. He noted that Medicaid patients are getting to a good level to provide support. He asked how many in the nursing home are over housed and could go back to assisted living? Ms. Smith noted about 20. Mr. Gil de Rubio and Ms. Smith pointed out there are many residents struggling to live at home. Commissioner Clarke noted their intention is to decide quickly between the two firms, and asked for parting comments from HP. Ms. White noted they bring to the table many who have worked in the public sector and understand the kinds of pressures the County faces and can relate to who they are answering to and what they are answering for. She noted they are good at stating things clearly so that the public will understand and they can sell the ideas. She finished by noting they very much would like to work here, love Sullivan County, are very familiar with the area and would like to return.

2:11 The interview was adjourned. Ms. White noted she would be in the Sunapee area this weekend and provided a number to be reached at.

Second Interview – 2:33 PM

Health Care Management Associates - Interview with Michael Pulling.

Mr. Pulling noted Heather Presch provided a guided tour of the Health Care facility for him.

Mr. Gil de Rubio noted the County was on a fast track with the RFQ deadlines, that they are looking at enhancing/embellishing on the Clough Harbour Associates Feasibility Study report. He discussed proposed funds in the FY07 budget to go further along with this phase. He would like a comprehensive business plan and a 2nd look at the CHA numbers, to present to the Delegation. It was noted the County was leaning towards the Unity site – possibly near the small pond where you first enter the Unity complex. The group discussed the DOC needs assessment project with ideas of either retro fitting, renovating or moving a new facility back out of sight. Mr. Gil de Rubio asked if Mr. Pulling would be able to provide a good report in the time frame allotted and how he would approach collecting data with the aggressive schedule the County set. Mr. Pulling discussed briefly one commitment he had in Illinois on April 20th and will be up there all week with some staff. He noted his approach would be in two phases: 1) market planning overview – he's very familiar with the area and Valley Regional because of a project he worked on there. He noted he's also been to the Cove and Summer Crest. He will verify the data in the previous study and come up with definite conceptional plan based on location, target market, type of program, and funding. He noted he would need to do a market test on the business plan feasibility. He noted Morse Switzer were architects/engineers he worked with on the feasibility with utilities and asked about the water treatment plant. Mr. Gil de Rubio noted wastewater is sent via Claremont and there were funds placed in the FY 07 proposed budget to update water and electricity systems. Mr. Pulling noted the Unity complex was more agreeable to a Claremont based market and would do focus tests through churches and hospital auxiliaries, going through whole set of variables including a few different sites. He noted the locality of facility depends on what people are comfortable with and pointed out the area does not have much along the lines of assisted living other than McCoy, Summercrest and a few small rest homes. Phase II would be to work the numbers for the total capital cost and operating cost. Commissioner Clarke asked Mr. Pulling what kind of market do we need to be feasible with size. Mr. Pulling indicated at minimum 30. He noted a few very successful units at this size, but added they were attached to another facility. Comm. Nelson asked how the marketing works with those examples where they were attached. Mr. Pulling noted they worked quite well, but were marketed separately from the other part of the facility. He also discussed the Scandinavian cultural aspect of those facilities. He noted there must be a definite line between the different types of facilities and needs to be a programmatic continuum of care. Mr. Gil de Rubio asked if he would have time to conduct the focus groups? Mr. Pulling noted they were an essential part to do the feasibility. The group discussed the economic up thrust in Claremont. It was noted 1/3 of parents of adult children want their parents close. Mr. Pulling noted the key is transportation and guest services - station wagon type vehicle - think in terms of hospitality services – appearance must be attractive. Mr. Clarke noted the County has a competitive advantage because of land acquisition and must keep it to a lower cost to

justify. Mr. Pulling spoke briefly about a project in Lynnfield MA, where they took the value of land and set aside in a trust fund. He noted the value could be set-aside in an endowment and noted there were a number of funding sources, with the least desirable taxpayer funding. He noted the disadvantage of just an assisted living facility and noted the unit size was important. He pointed out the average age of assisted care residents was 91-94. He noted a facility they built with one-bedroom units and found two-bedroom units were better as there were a lot of couples. General discussion about unit cost discussed. Mr. Gil de Rubio noted the County was considering extending the deadline and wondered if it would help? Mr. Pulling concurred it would. He noted it was getting to spring and they like to get something between April and June. Comm. Jarvis noted she knew of a couple, instead of traveling south, they went to an assisted care for the winter, to return home in spring. Mr. Pulling noted he had experience with that type of scenario and in other facilities they were called "vacation days". He pointed out the con: with respite a certain amount of beds are set aside – usually occurring where a facility may have vacancies. However, he added, the arrangement is not financially feasible as the bed would be vacant the remaining six months. Mr. Clarke noted he did not see any problem placing and marketing a facility in Unity. Mr. Pulling noted there was indication in the CHA report they had doubts. He asked if the group had a sense of current resident origin? Ms. Koscielniak noted the higher percentage was from Claremont. Pulling noted he needed to have a real conversation with consumers in that age group. Public and private partnership briefly discussed. Mr. Gil de Rubio noted the County does business through the NH Bond Bank. Mr. Clarke discussed grants. Pulling noted other foundations for funding sources: Farnsworth Trust and Central Mass Health and Retirement Research Foundation. Ms. Koscielniak asked about the Robert Wood Johnson Foundation. Mr. Pulling also discussed a cooperative assisted care where residents bought in. The group discussed prevention/care models. Ms. Koscielniak asked about hospice and how it worked in his facilities. Mr. Pulling confirmed all their hospice rooms were located within the nursing home facility, with approximately ten beds. He noted 85% of hospice was home based; often they don't pay a rate better than Medicare. It was noted hospice was a real plus in this situation, as long as it is handled respectfully and well. Ms. Koscielniak asked about younger people at his facilities - do they have minim age requirement. Mr. Pulling noted it is usually harder to combine younger, handicapped, in an elderly environment and would not suggest this situation, but would make sure they were separated. Mr. Pulling noted, on the other hand, about working with pediatric nursing homes and using assisted care with children extended care. Commissioner Clarke asked whom the main person the County would see if HCMA received the bid. Mr. Pulling indicated it would be him. He noted that Mary Cashner and her husband would have a little bit of contact with them – that would depend on the degree of clinical programming. He noted that Kerry Goodwin works with financials and is very computer savvy. He likes to see HCMA working on a team basis with County staff. Ms. Smith asked if previous projects with faith-based groups were intentional? Mr. Pulling discussed how one project evolved, and because that group was pleased, word spread quickly among the other faith based companies of their performance. Commissioner Clarke asked Mr. Pulling why HCMA wanted to do this project? Mr. Pulling pointed out he does not normally look at for profit organizations and has not worked a lot with government, but wants to branch out more in this field. He

noted his sense is the County is well managed and interested in going forward with the project. He indicated he feels it would be fun and is very comfortable in this area.
Interview concluded – Mr. Pulling left.

Post Interview Discussions:

Ms. Koscielniak indicated she was leaning towards HP, but has a "homey" feeling from HCMA. She feels the focus groups are important and if County decides on HP they need to request HP to perform focus groups. Koscielniak noted she was put off by HP's comment they have time to perform focus groups in this stage. Ms. Koscielniak noted she liked the day care concept and that a lot of the staff could use this type of program.

Ms. Smith also liked Mr. Pulling and received a sense of homey, community and spiritualism. She noted she thought HP was more thoughtful about the process and felt they did not want to waste County time. She indicated she liked them both but would have gone with Housing Partners. However, she, also, was put off by HP's comment that they did not have time for focus groups. Ms. Smith noted 50% of "call outs" are due to childcare issues. She felt Pulling was a "nuts and bolts" type of person and liked his concepts to help with revenue. She felt he would sell the product well around the area. She felt HP was interested in following through with the concept.

Mr. Gil de Rubio noted he felt, due to the political climate that focus groups are necessary. He felt they would receive an excellent product from both firms.

Commissioner Jarvis indicated she liked that HCMA performed focus groups and had worked on several projects in this area. She feels HP is a class act. She noted the County would benefit from using a firm who had a nursing home Administrator license. She also noted HCMA was formed in 1979, where as HP was formed in 1995.

Commissioner Nelson noted HCMA ran a couple assisted care facilities, so would know of any pitfalls.

Mr. Gil de Rubio will contact HP to see whom the County would be working with most and will check references on Monday. He will also find out if the Illinois project would draw Mr. Pulling away from the County project. It was noted that response from firms to the questions and the reference checks would be reviewed at the next Commissioner meeting in Executive Session.

4:10 Meeting adjourned.

Respectfully submitted,



*Ethel Jarvis, Clerk
Board of Commissioners*

EJ/s.j-c.